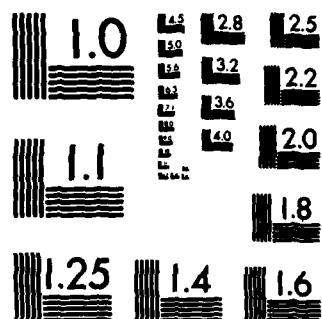


RD-A144 494 STATUS OF INTERNAL AUDIT CAPABILITIES OF FEDERAL AGENCIES WITHOUT STATUTORY INSPECTORS GENERAL(U) GENERAL ACCOUNTING OFFICE WASHINGTON DC ACCOUNTING AND FINANC... 04 MAY 84 GAO/AFMD-84-45 F/G 5/1 NL UNCLASSIFIED

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BY THE U.S. GENERAL ACCOUNTING OFFICE
Report To The Chairman, Subcommittee On
Legislation And National Security
Committee On Government Operations
House Of Representatives

Status Of Internal Audit Capabilities Of
Federal Agencies Without Statutory
Inspectors General

This report contains the results of GAO's survey questionnaires on internal audit capabilities of federal agencies without statutory inspectors general. The 99 federal organizations which responded vary greatly in funding and in staff size. Twenty-three had 1983 appropriations of greater than \$100 million each, while 41 each received less than \$10 million.

This study shows that some agencies are not complying with OMB Circulars A-50 and A-73, which address audits of federal operations and programs and audit followup; and with GAO's Standards for Audit of Governmental Organizations, Programs, Activities, and Functions. Some agencies have no audit coverage; at others the internal auditor does not report to the head or deputy head of the agency; and at several agencies that have more than one audit or investigative unit, there are no procedures for coordination.



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UNITED STATES GENERAL ACCOUNTING OFFICE
WASHINGTON, D.C. 20548

ACCOUNTING AND FINANCIAL
MANAGEMENT DIVISION

B-214522

The Honorable Jack Brooks
Chairman, Subcommittee on Legislation
and National Security
Committee on Government Operations
House of Representatives



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Dear Mr. Chairman:

Your August 4, 1983, letter requested that we provide the subcommittee with specific information on the audit capability of agencies not subject to the Inspector General Act of 1978 or similar legislation. You expressed interest in audit staff size, independence, coordination of audit functions, and followup and implementation of audit recommendations. In addition, you asked whether the audit organizations in these agencies are meeting GAO's audit standards.

We solicited information from 105 organizations, through the use of a questionnaire, to answer the questions in your letter. The summary we are providing you is based on responses to the questionnaire from 99 agencies. This information has not been verified by us.

As you requested, we kept the subcommittee staff apprised of significant findings and trends during the course of our survey. On January 31, 1984, we provided detailed results and statistical analyses of the survey to the staff and agreed to send the subcommittee a report responding to your specific questions. Appendixes in this report contain summary charts and exhibits listing information pertaining to individual agencies; and at the subcommittee staff's suggestion, we are also providing information on these agencies' use of a fraud hotline.

The responses from 99 organizations in the federal government showed that these organizations vary greatly in funding and staff size. The U.S. Postal Service and Departments of the Treasury and Justice are among the largest federal agencies and have relatively large internal audit staffs. Conversely, the Advisory Committee on Federal Pay has approximately \$200,000 in appropriated funds, only three personnel, and no audit staff. Of the 99 agencies in our survey, 23 have 1983 appropriations of greater than \$100 million each, while 41 of these agencies received less than \$10 million each. Internal audit staff size ranges from one person each at seven organizations to over 550 personnel at the U.S. Postal Service.

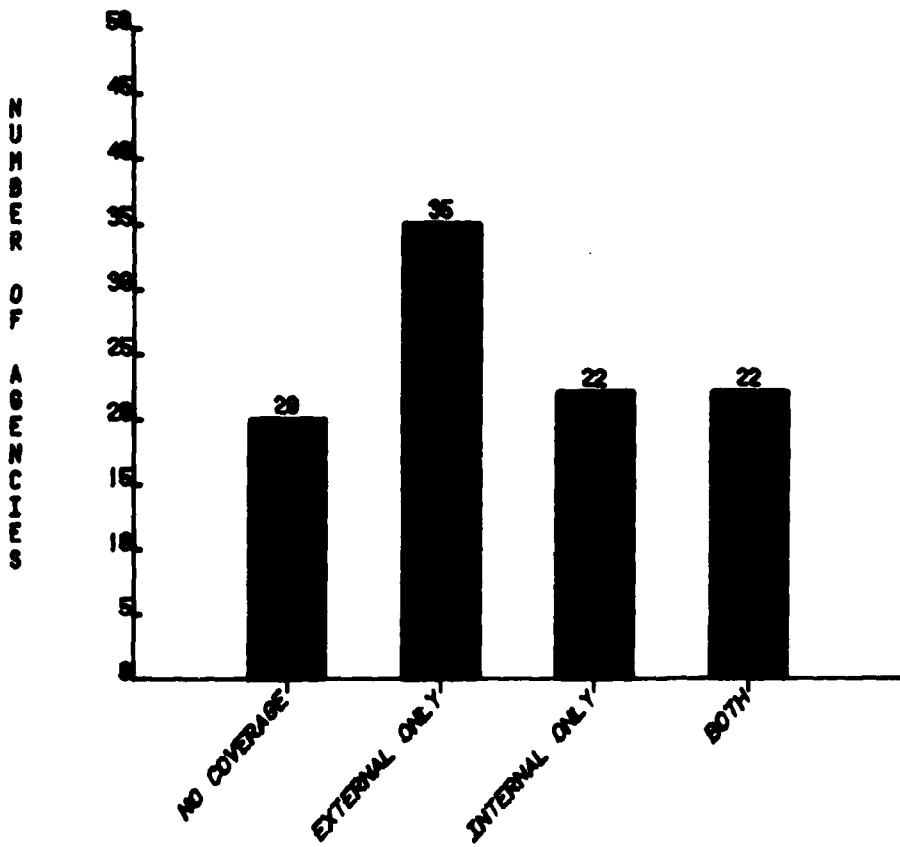
Our survey also showed that some agencies are not complying with OMB Circulars A-50 and A-73, which address audits of federal operations and programs and audit followup; and with GAO's "Standards for Audit of Governmental Organizations, Programs, Activities, and Functions." For example, some agencies have no audit coverage; at others the internal auditor does not report to the head of the agency or deputy; and at several agencies that have more than one audit or investigative unit, there are no procedures for coordination. Although we did not determine the specific reasons for non-compliance, many of the agencies in the above categories are relatively small, which may affect their ability to comply fully with all audit standards. In any event, we intend to follow up on selected agencies in order to improve internal audit capabilities in these agencies.

Our responses to the specific questions raised in your letter are as follows:

Which agencies have audit and
investigative capability in-house
and which use external audit?

As shown in the following chart, 20 of the 99 agencies responding to our questionnaire had no audit coverage.

NUMBER OF AGENCIES WITH THE DIFFERENT
TYPES OF AUDIT COVERAGE
(99 AGENCIES)



The remaining 79 agencies responding said that they were audited either by external or internal auditors, or both. Forty-four of them have internal audit units, including twenty-two that also have external audit coverage. Thirty-five agencies without internal audit units are covered only by external auditors (see appendices I through IV on pages 1 to 5 for more details).

Nineteen of the 99 agencies responded that they have investigative units (see appendix V, p. 6). Some agencies, however, indicated that while they do not have a formal investigative unit, investigations are conducted by other organizational components or even by auditors within the internal audit organization on an ad hoc basis.

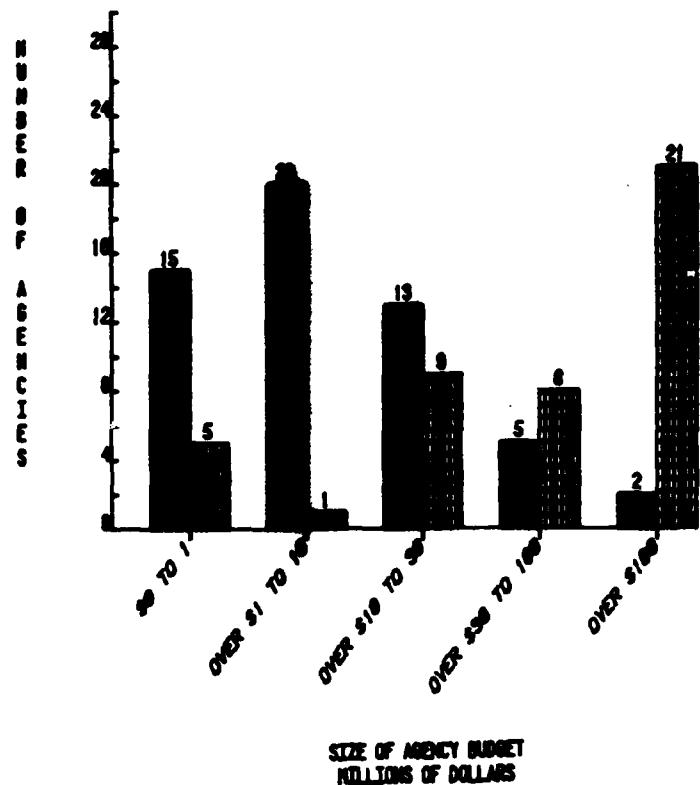
What is the size of the internal audit function in comparison to the budget and personnel resources of the agency?

The next chart shows a comparison of agencies with and without internal audit units by budget size. Forty-eight of the 55 agencies without internal audit units have funding levels below \$30 million. A further breakdown shows that 15 of the agencies have funding levels of less than \$1 million; another 20 agencies have funding levels between \$1 and \$10 million. The two agencies with budgets over \$100 million and no internal audit unit are the Legal Services Corporation and the U.S. Courts. The Legal Services Corporation, however, has an audit organization which is responsible for ensuring that grant recipients comply with the Legal Services Act. Audit coverage is provided for the courts by the Administrative Office of the U.S. Courts.

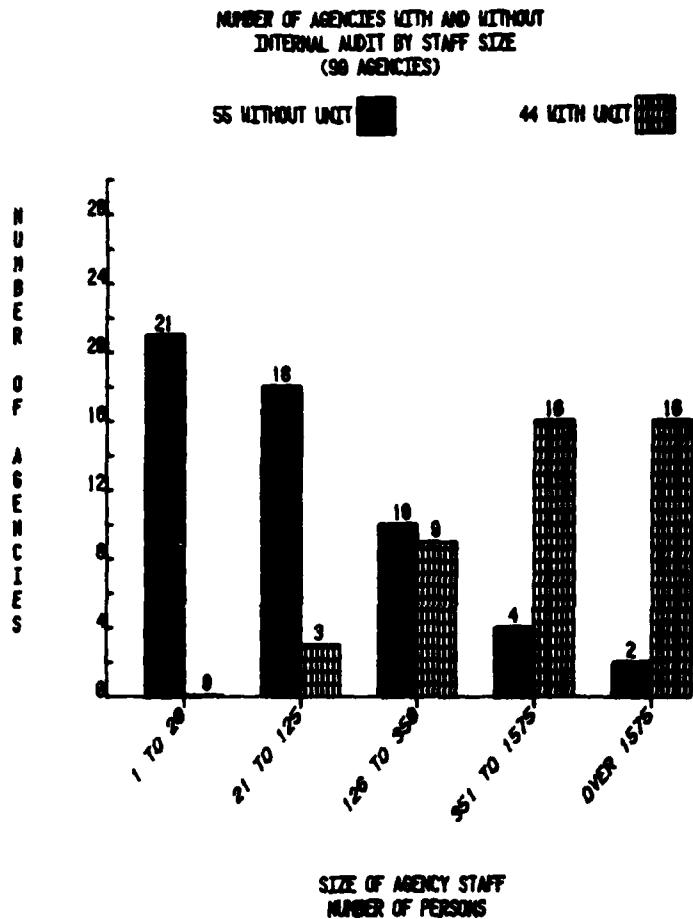
NUMBER OF AGENCIES WITH AND WITHOUT
INTERNAL AUDIT BY BUDGET SIZE
(100 AGENCIES)

55 WITHOUT UNIT

44 WITH UNIT



Agencies with smaller staffs are less likely to have internal audit units. For example, 49 of 55 agencies without internal audit units have less than 350 personnel. Conversely, agencies with more than 350 personnel are more likely to have internal audit units. Thirty-two of 44 agencies with internal audit units exceed 350 personnel. See the following chart for some comparisons.



The agencies without internal audit units which have staffs over 1,575 are the U.S. Courts and the Securities and Exchange Commission. Individual comparisons between funding and personnel are provided in appendix VI, pp. 7-12.

Are audit and investigative
functions independent of
management?

Thirty-nine of the 44 agencies with internal audit units (89 percent) responded that their internal audit unit reported to either the head or deputy head of the agency as called for in OMB Circular A-73. Reporting to the highest possible level in the agency is one standard for independence according to GAO's "Standards for Audit of Governmental Organizations, Programs, Activities, and Functions." The internal audit units in the other five agencies

report to a finance officer or other official in the agency, indicating a lack of independence. Appendix VII on pages 13 through 15 provides a breakdown of the internal audit unit reporting level by agency.

Are audit functions conducted
by more than one office within
an agency coordinated?

Twenty-one of those agencies with internal audit units responded that there was more than one audit or investigative unit within their agency. However, only four of these agencies indicated that they had procedures for coordinating audit work within their agency. (See appendix VIII, p 16.)

Does followup of audit findings
occur to assure resolution and, as
appropriate, are recommendations
implemented?

We did not perform audit work at the agencies, therefore, we are unable to determine if follow-up of audit findings and implementation of recommendations is occurring. However, 25 of the 44 agencies with internal audit units responded that they have procedures--in accordance with OMB Circular A-50--for the resolution of audit findings. (See appendix IX, p. 17.) Thirty-one of the 44 agencies indicated that they have procedures for following up on the implementation of audit recommendations. (See appendix X, pp. 18 and 19.)

Are audit organizations
meeting GAO's audit standards?

Fifty-one of the agencies indicated that they meet GAO's audit standards, and three indicated that they do not meet the standards. Forty-five agencies responded that the standards were not applicable. Appendix XI, p. 20-25, provides each agency's response about its compliance with GAO audit standards.

Number of agencies with
and without a hotline

Nine agencies reported that they have a hotline for receiving calls about fraud, waste, and abuse; eighty-four agencies do not have a hotline. Six agencies did not respond to the question. Those agencies reporting that they have a hotline are listed on appendix XII, p. 26.

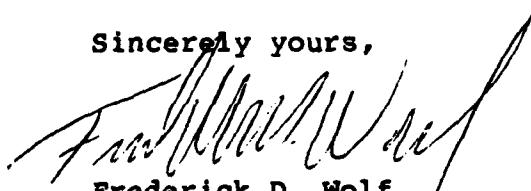
We hope this information will be useful to you in your consideration of legislation for those federal agencies which are not

B-214522

subject to the Inspector General Act of 1978 or similar legislation. If we can be of further assistance please contact us.

As arranged with your office, unless you publicly announce its contents earlier, we will not distribute this report until 30 days from its date. At that time we will send copies to interested parties and make copies available to others upon request.

Sincerely yours,



Frederick D. Wolf
Director

AGENCIES WITHOUT AUDIT COVERAGE

ADMINISTRATIVE CONFERENCE OF THE UNITED STATES
ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS
ARCHITECTURAL & TRANSPORTATION BARRIERS COMPLIANCE BOARD
COMMISSION ON SECURITY AND COOPERATION IN EUROPE
COMMITTEE FOR PURCHASE FROM THE BLIND & SEVERELY HANDICAPPED
CONGRESSIONAL BUDGET OFFICE
COPYRIGHT ROYALTY TRIBUNAL
FEDERAL LABOR RELATIONS AUTHORITY
FRANKLIN DELANO ROOSEVELT MEMORIAL COMMISSION
INTERNATIONAL TRADE COMMISSION
JAPAN-UNITED STATES FRIENDSHIP COMMISSION
MARINE MAMMAL COMMISSION
NATIONAL CAPITAL PLANNING COMMISSION
NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE
NATIONAL MEDIATION BOARD
NAVAJO AND HOPI INDIAN RELOCATION COMMISSION
OFFICE OF THE FEDERAL INSPECTOR, ALASKA NATURAL GAS
TRANSPORTATION SYSTEM
UNITED STATES HOLOCAUST MEMORIAL COUNCIL
UNITED STATES TAX COURT
U.S. RAILWAY ASSOCIATION

AGENCIES WITHOUT INTERNAL AUDIT UNITS
COVERED BY EXTERNAL AUDITORS

ADVISORY COMMITTEE ON FEDERAL PAY
ADVISORY COUNCIL ON HISTORIC PRESERVATION
AMERICAN BATTLE MONUMENTS COMMISSION
APPALACHIAN REGIONAL COMMISSION
ARMS CONTROL AND DISARMAMENT AGENCY
BOARD OF INTERNATIONAL BROADCASTING
COMMISSION ON CIVIL RIGHTS
COMMISSION OF FINE ARTS
COUNCIL OF ECONOMIC ADVISORS
COUNCIL ON ENVIRONMENTAL QUALITY
DELAWARE RIVER BASIN COMMISSION
EXECUTIVE RESIDENCE AT THE WHITE HOUSE
FEDERAL JUDICIAL CENTER
FEDERAL MINE SAFETY AND HEALTH REVIEW COMMISSION
FEDERAL TRADE COMMISSION
HARRY S. TRUMAN SCHOLARSHIP FOUNDATION
LEGAL SERVICES CORPORATION
NATIONAL SECURITY COUNCIL
OCCUPATIONAL SAFETY AND HEALTH REVIEW COMMISSION
OFFICE OF MANAGEMENT AND BUDGET
OFFICE OF POLICY DEVELOPMENT
OFFICE OF SCIENCE AND TECHNOLOGY POLICY
OFFICE OF TECHNOLOGY ASSESSMENT
OFFICE OF THE VICE PRESIDENT
OFFICE OF UNITED STATES TRADE REPRESENTATIVE

AGENCIES WITHOUT INTERNAL AUDIT UNITS

COVERED BY EXTERNAL AUDITORS

OFFICIAL RESIDENCE OF THE VICE PRESIDENT

PENNSYLVANIA AVENUE DEVELOPMENT CORPORATION

PROPERTY REVIEW BOARD

SECURITIES AND EXCHANGE COMMISSION

SELECTIVE SERVICE SYSTEM

SUSQUEHANNA RIVER BASIN COMMISSION

THE WHITE HOUSE OFFICE

UNITED STATES COURTS OF APPEALS, UNITED STATES DISTRICT COURTS, AND
OTHER JUDICIAL SERVICES

UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT

UNITED STATES COURT OF INTERNATIONAL TRADE

AGENCIES WITH INTERNAL AUDIT UNITS ONLY

ADMINISTRATIVE OFFICE OF THE U.S. COURTS
CIVIL AERONAUTICS BOARD
COMMODITY FUTURES TRADING COMMISSION
CONSUMER PRODUCT SAFETY COMMISSION
DEPARTMENT OF JUSTICE
FARM CREDIT ADMINISTRATION
FEDERAL COMMUNICATIONS COMMISSION
FEDERAL ELECTION COMMISSION
FEDERAL HOME LOAN BANK BOARD
FEDERAL MARITIME COMMISSION
FEDERAL MEDIATION AND CONCILIATION SERVICE
GOVERNMENT PRINTING OFFICE
INTERSTATE COMMERCE COMMISSION
LIBRARY OF CONGRESS
MERIT SYSTEMS PROTECTION BOARD
NATIONAL LABOR RELATIONS BOARD
NATIONAL TRANSPORTATION SAFETY BOARD
NEIGHBORHOOD REINVESTMENT CORPORATION
OFFICE OF PERSONNEL MANAGEMENT
PANAMA CANAL COMMISSION
PENSION BENEFIT GUARANTY CORPORATION
RAILROAD RETIREMENT BOARD

AGENCIES WITH BOTH INTERNAL AND EXTERNAL AUDIT CAPABILITY

ACTION

ARCHITECT OF THE CAPITOL
CORPORATION FOR PUBLIC BROADCASTING
DEPARTMENT OF THE TREASURY
DISTRICT OF COLUMBIA GOVERNMENT
EQUAL EMPLOYMENT OPPORTUNITY COMMISSION
EXPORT-IMPORT BANK
FEDERAL DEPOSIT INSURANCE CORPORATION
FEDERAL RESERVE SYSTEM
INTER-AMERICAN FOUNDATION
NATIONAL CONSUMER COOPERATIVE BANK
NATIONAL CREDIT UNION ADMINISTRATION
NATIONAL ENDOWMENT FOR THE ARTS
NATIONAL ENDOWMENT FOR THE HUMANITIES
NATIONAL SCIENCE FOUNDATION
NATIONAL RAILROAD PASSENGER CORPORATION
NUCLEAR REGULATORY COMMISSION
OFFICE OF ADMINISTRATION, EXECUTIVE OFFICE OF THE PRESIDENT
PEACE CORPS
SMITHSONIAN INSTITUTION
UNITED STATES INFORMATION AGENCY
UNITED STATES POSTAL SERVICE

AGENCIES THAT HAVE INVESTIGATIVE UNITS**ACTION**

CIVIL AERONAUTICS BOARD
DEPARTMENT OF JUSTICE
DEPARTMENT OF THE TREASURY
DISTRICT OF COLUMBIA GOVERNMENT
EQUAL EMPLOYMENT OPPORTUNITY COMMISSION
FARM CREDIT ADMINISTRATION
FEDERAL COMMUNICATIONS COMMISSION
FEDERAL HOME LOAN BANK BOARD
FEDERAL MARITIME COMMISSION
FEDERAL RESERVE SYSTEM
INTERSTATE COMMERCE COMMISSION
LEGAL SERVICES CORPORATION
NATIONAL TRANSPORTATION SAFETY BOARD
NUCLEAR REGULATORY COMMISSION
PEACE CORPS
SMITHSONIAN INSTITUTION
UNITED STATES INFORMATION AGENCY
UNITED STATES POSTAL SERVICE

APPENDIX VI

APPENDIX VI

SCHEDULE OF RELATIONSHIP BETWEEN SIZE OF AGENCY AND INTERNAL AUDIT

NAME OF AGENCY	IA UNIT YES/NO	FY 83 FUNDS (000)			\$	PERSONNEL		\$
		AGENCY	IA UNIT	AGENCY		IA UNIT ¹		
ACTION	Yes	\$ 117,721	\$ 1,332	1.13	440	12	2.73	
ADMINISTRATIVE CONFERENCE OF THE UNITED STATES	No	1,339	0	0.00	19	0	0.00	
ADMINISTRATIVE OFFICE OF THE UNITED STATES COURTS	Yes	25,500	1,437	5.60	512	27	5.27	
ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS	No	1,920	0	0.00	34	0	0.00	
ADVISORY COMMITTEE ON FEDERAL PAY	No	204	0	0.00	3	0	0.00	
ADVISORY COUNCIL ON HISTORIC PRESERVATION	No	1,000	0	0.00	20	0	0.00	
AMERICAN BATTLE MONUMENTS COMMISSION	No	10,666	0	0.00	381	0	0.00	
APPALACHIAN REGIONAL COMMISSION	No	2,900	0	0.00	6	0	0.00	
ARCHITECT OF THE CAPITOL	Yes	97,670	†		2,011	1	0.00	
ARCHITECTURAL & TRANSPORTATION BARRIERS COMPLIANCE BOARD	No	2,020	0	0.00	24	0	0.00	
ARMS CONTROL AND DISARMAMENT AGENCY	No	19,942	0	0.00	154	0	0.00	
BOARD OF INTERNATIONAL BROADCASTING	No	95,884	0	0.00	8	0	0.00	
CIVIL AERONAUTICS BOARD	Yes	72,900	†		420	2	0.48	
COMMISSION OF FINE ARTS	No	319	0	0.00	7	0	0.00	
COMMISSION ON CIVIL RIGHTS	No	11,626	0	0.00	207	0	0.00	
COMMISSION ON SECURITY AND COOPERATION IN EUROPE	No	550	0	0.00	14	0	0.00	
COMMITTEE FOR PURCHASE FROM THE BLIND & SEVERELY HANDICAPPED	No	653	0	0.00	12	0	0.00	
COMMODITY FUTURES TRADING COMMISSION	Yes	22,999	179	0.78	510	4	0.78	

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SCHEDULE OF RELATIONSHIP BETWEEN SIZE OF AGENCY AND INTERNAL AUDIT

NAME OF AGENCY	IA UNIT YES/NO	FY 83 FUNDS (000)		\$	PERSONNEL		\$
		AGENCY	IA UNIT		AGENCY	IA UNIT ¹	
CONGRESSIONAL BUDGET OFFICE	No	16,352	0	0.00	226	0	0.00
CONSUMER PRODUCT SAFETY COMMISSION	Yes	33,501	120	0.36	550	2.5	0.45
COPYRIGHT ROYALTY TRIBUNAL	No	526	0	0.00	10	0	0.00
CORPORATION FOR PUBLIC BROADCASTING	Yes	172,000	319	0.19	98	6	
COUNCIL OF ECONOMIC ADVISORS	No*	2,115	0	0.00	34	0	0.00
COUNCIL ON ENVIRONMENTAL QUALITY	No*	926	0	0.00	15	0	0.00
DELAWARE RIVER BASIN COMMISSION	No	277	0	0.00	2	0	0.00
DEPARTMENT OF JUSTICE	Yes	2,666,234	4,860	0.18	54,983	100	0.18
DEPARTMENT OF THE TREASURY	Yes	125,218,590	4,083	0.003	112,542	132	0.12
DISTRICT OF COLUMBIA GOVERNMENT							
INSPECTOR GENERAL	Yes	550,500	611.3	1.11	28,642	16	0.06
D.C. AUDITOR	Yes	550,500	462.1	0.08	28,642	14	0.05
EQUAL EMPLOYMENT OPPORTUNITY COMMISSION	Yes	144,884	0	0.00	3,278	9	0.28
EXECUTIVE RESIDENCE AT THE WHITE HOUSE	No*	3,878	0	0.00	86	0	0.00
EXPORT-IMPORT BANK	Yes	2,701,253	+		335	2	0.60
FARM CREDIT ADMINISTRATION	Yes	0	182.5		287	3	1.05
FEDERAL COMMUNICATIONS COMMISSION	Yes	74,430	+		1,602	4	0.25
FEDERAL DEPOSIT INSURANCE CORPORATION	Yes	268,211	1,497	.558	3,550	30	0.85
FEDERAL ELECTION COMMISSION	Yes	9,880	***		212	4	1.89
FEDERAL HOME LOAN BANK BOARD	Yes	0	555.9		1,465	14	0.96
FEDERAL JUDICIAL CENTER	No**	8,598	0	0.00	92	0	0.00

APPENDIX VI

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SCHEDULE OF RELATIONSHIP BETWEEN SIZE OF AGENCY AND INTERNAL AUDIT

NAME OF AGENCY	IA UNIT YES/NO	FY 83 FUNDS (000)		\$	PERSONNEL		\$
		AGENCY	IA UNIT		AGENCY	IA UNIT ¹	
FEDERAL LABOR RELATIONS AUTHORITY	No	15,745	0	0.00	312	0	0.00
FEDERAL MARITIME COMMISSION	Yes	10,378	†		287	10	3.48
FEDERAL MEDIATION AND CONCILIATION SERVICE	Yes	20,189	†		351	5	1.42
FEDERAL MINE SAFETY AND HEALTH REVIEW COMMISSION	No	3,686	0	0.00	69	0	0.00
FEDERAL RESERVE SYSTEM SYSTEMS IMPROVEMENT & IA OPERATIONS REVIEW PROGRAM	Yes	0	256		1,554	5	0.32
Yes	0	85		1,554		2	.13
FEDERAL TRADE COMMISSION	No	60,798	0	0.00	1,235	0	0.00
FRANKLIN DELANO ROOSEVELT MEMORIAL COMMISSION	No	0	0	0.00	1	0	0.00
GOVERNMENT PRINTING OFFICE	Yes	135,727	1,102	0.81	5,814	31	0.53
HARRY S. TRUMAN SCHOLARSHIP FOUNDATION	No	3,590	0	0.00	4	0	0.00
INTER-AMERICAN FOUNDATION	Yes	10,634	†		63	1	1.59
INTERNATIONAL TRADE COMMISSION	No	19,737	0	0.00	428	0	0.00
INTERSTATE COMMERCE COMMISSION	Yes	57,178	†		1,400	2	0.14
JAPAN-UNITED STATES FRIENDSHIP COMMISSION	No	1,700	0	0.00	3	0	0.00
LEGAL SERVICES CORPORATION	No	241,000	0	0.00	177	0	0.00
LIBRARY OF CONGRESS	Yes	246,762	180.9	0.07	4,700	5	0.11
MARINE MAMMAL COMMISSION	No	594	0	0.00	7	0	0.00
MERIT SYSTEMS PROTECTION BOARD	Yes	20,524	†		438	2	0.46
NATIONAL CAPITAL PLANNING COMMISSION	No	2,202	0	0.00	48	0	0.00
NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE	No	674	0	0.00	9	0	0.00

APPENDIX VI

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SCHEDULE OF RELATIONSHIP BETWEEN SIZE OF AGENCY AND INTERNAL AUDIT

NAME OF AGENCY	IA UNIT YES/NO	FY 83 FUNDS (000)			PERSONNEL		
		AGENCY	IA UNIT	\$	AGENCY	IA UNIT ¹	\$
NATIONAL CONSUMER COOPERATIVE BANK	Yes	0	208	0.00	90	4	4.44
NATIONAL CREDIT UNION ADMINISTRATION	Yes	121,470	154	0.13	644	3	0.45
NATIONAL ENDOWMENT FOR THE ARTS	Yes	100,874	†		260	1	0.39
NATIONAL ENDOWMENT FOR THE HUMANITIES	Yes	96,000	†		206	1	0.49
NATIONAL LABOR RELATIONS BOARD	Yes	132,753	129	0.10	3,000	3	0.10
NATIONAL MEDIATION BOARD	No	3,598	0	0.00	60	0	0.00
NATIONAL RAILROAD PASSENGER CORPORATION	Yes	600,000	1,654	0.28	25,000	42	0.17
NATIONAL SCIENCE FOUNDATION	Yes	1,072,468	550	0.05	1,106	13	1.18
NATIONAL SECURITY COUNCIL	No*	3,976	0	0.00	60	0	0.00
NATIONAL TRANSPORTATION SAFETY BOARD	Yes	17,694	†		293	1	0.34
NAVAJO AND HOPI INDIAN RELOCATION COMMISSION	No	13,403	0	0.00	36	0	0.00
NEIGHBORHOOD REINVESTMENT CORPORATION	Yes	15,512	***		224	1	0.45
NUCLEAR REGULATORY COMMISSION	Yes	479,500	1,003.6	0.21	3,303	28	0.85
OCCUPATIONAL SAFETY AND HEALTH REVIEW COMMISSION	No	6,316	0	0.00	121	0	0.00
OFFICE OF ADMINISTRATION, EXECUTIVE OFFICE OF THE PRESIDENT	Yes	13,640	†		147	1	0.68
OFFICE OF MANAGEMENT & BUDGET	No*	38,595	0	0.00	634	0	0.00
OFFICE OF PERSONNEL MANAGEMENT	Yes	16,508,515	2,107	0.01	5,090	42	0.83
OFFICE OF POLICY DEVELOPMENT	No*	2,653	0	0.00	45	0	0.00
OFFICE OF SCIENCE & TECHNOLOGY POLICY	No*	1,839	0	0.00	11	0	0.00

APPENDIX VI

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SCHEDULE OF RELATIONSHIP BETWEEN SIZE OF AGENCY AND INTERNAL AUDIT

NAME OF AGENCY	IA UNIT YES/NO	FY 83 FUNDS (000)		%	PERSONNEL		\$
		AGENCY	IA UNIT		AGENCY	IA UNIT ¹	
OFFICE OF TECHNOLOGY ASSESSMENT	No	13,900	0	0.00	130	0	0.00
OFFICE OF THE FEDERAL INSPECTOR, ALASKA NATURAL GAS TRANSPORTATION SYSTEM	No	30,471	0	0.00	205	0	0.00
OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE	No*	10,100	0	0.00	113	0	0.00
OFFICE OF THE VICE PRESIDENT	No*	1,483	0	0.00	23	0	0.00
OFFICIAL RESIDENCE OF THE VICE PRESIDENT	No*	281	0	0.00	0	0	0.00
PANAMA CANAL COMMISSION	Yes	452,589	803	0.18	7,858	20	0.26
PEACE CORPS	Yes	97,500	468	0.48	840	10	1.19
PENNSYLVANIA AVENUE DEVELOPMENT CORPORATION	No	12,200	0	0.00	35	0	0.00
PENSION BENEFIT GUARANTY CORPORATION	Yes	0	195		492	5	1.02
PROPERTY REVIEW BOARD	No*	445	0	0.00	6	0	0.00
RAILROAD RETIREMENT BOARD	Yes	350,250	632.7	0.18	350	15	1.15
SECURITIES AND EXCHANGE COMMISSION	No	84,295	0	0.00	1,765	0	0.00
SELECTIVE SERVICE SYSTEM	No	23,386	0	0.00	255	0	0.00
SMITHSONIAN INSTITUTION	Yes	227,534	470	0.21	4,276	12	0.28
SUSQUEHANNA RIVER BASIN COMMISSION	No	185	0	0.00	2	0	0.00
THE WHITE HOUSE OFFICE	No*	22,164	0	0.00	322	0	0.00
UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT	No**	4,455	0	0.00	73	0	0.00
UNITED STATES COURT OF INTERNATIONAL TRADE	No**	5,730	0	0.00	103	0	0.00

APPENDIX VI**APPENDIX VI**SCHEDULE OF RELATIONSHIP BETWEEN SIZE OF AGENCY AND INTERNAL AUDIT

NAME OF AGENCY	IA UNIT YES/NO	FY 83 FUNDS (000)		\$	PERSONNEL		\$
		AGENCY	IA UNIT		AGENCY	IA UNIT ¹	
UNITED STATES COURTS OF APPEALS, UNITED STATES DISTRICT COURTS, & OTHER JUDICIAL SERVICES	No**	769,880	0	0.00	14,121	0	0.00
UNITED STATES HOLOCAUST MEMORIAL COUNCIL	No	820	0	0.00	10		0.00
UNITED STATES INFORMATION AGENCY	Yes	30,867	88	0.29	415	12	2.89
UNITED STATES POSTAL SERVICE	Yes	500,000	28,000	5.60	542,334	569	0.11
U.S. RAILWAY ASSOCIATION	No	2,000	0	0.00	45	0	0.00
UNITED STATES TAX COURT	No	15,083	0	0.00	266	0	0.00

NOTE: ↑ IA Unit is not a separate line item in agency's budget.

* Covered by Office of Administration

** Covered by Administrative Office of the U.S. Courts.

*** IA Unit created in FY 83, information unavailable.

¹ IA personnel includes auditors, investigators, and support staff.

INDICATIONS OF INTERNAL AUDIT INDEPENDENCE(AGENCIES WITH INTERNAL AUDIT)

Name of Agency	Official to whom Director of IA Unit reports	
ACTION	ASSISTANT DIRECTOR (Office of Compliance)	(3)
ADMINISTRATIVE OFFICE OF THE U.S. COURTS	DIRECTOR & PRESIDING OFFICER	(1)
ARCHITECT OF THE CAPITOL	ARCHITECT	(1)
CIVIL AERONAUTICS BOARD	MANAGING DIRECTOR	(2)
COMMODITY FUTURES TRADING COMMISSION	EXECUTIVE DIRECTOR	(2)
CONSUMER PRODUCT SAFETY COMMISSION	CHAIRMAN	(1)
CORPORATION FOR PUBLIC BROADCASTING	VICE PRESIDENT, CONTROLLER	(3)
DEPARTMENT OF JUSTICE	ATTORNEY GENERAL	(1)
DEPARTMENT OF THE TREASURY	SECRETARY & DEP'Y SECRETARY (1 & 2)	
DISTRICT OF COLUMBIA, INSPECTOR GENERAL D.C. AUDITOR	MAYOR CITY COUNCIL	(1) (1)
EQUAL EMPLOYMENT OPPORTUNITY COMMISSION	CHAIRMAN	(1)
EXPORT-IMPORT BANK	FINANCIAL OFFICER	(3)
FARM CREDIT ADMINISTRATION	DEPUTY GOVERNOR, CHIEF OF STAFF	(2)
FEDERAL COMMUNICATIONS COMMISSION	CHAIRMAN	(1)
FEDERAL DEPOSIT INSURANCE CORPORATION	DIRECTOR	(2)
FEDERAL ELECTION COMMISSION	STAFF DIRECTOR	(2)

NOTE: 1 = Head of Agency; 2 = Deputy Head of Agency; 3 = Other

INDICATIONS OF INTERNAL AUDIT INDEPENDENCE(AGENCIES WITH INTERNAL AUDIT)

Name of Agency	Official to whom Director of IA Unit reports	
FEDERAL HOME LOAN BANK BOARD	CHAIRMAN	(1)
FEDERAL MARITIME COMMISSION	CHAIRMAN	(1)
FEDERAL MEDIATION AND CONCILIATION SERVICE	EXECUTIVE DIRECTOR	(2)
FEDERAL RESERVE SYSTEM SYSTEMS IMPROVEMENT & IA OPERATIONS REVIEW PROGRAM	CONTROLLER BOARD OF GOVERNORS	(2) (1)
GOVERNMENT PRINTING OFFICE	PUBLIC PRINTER	(1)
INTER-AMERICAN FOUNDATION	PRESIDENT	(2)
INTERSTATE COMMERCE COMMISSION	DIRECTOR, BUREAU OF ACCOUNTS	(3)
LIBRARY OF CONGRESS	ASSOCIATE LIBRARIAN	(2)
MERIT SYSTEMS PROTECTION BOARD	MANAGING DIRECTOR	(2)
NATIONAL CONSUMER COOPERATIVE BANK	AUDIT COMMITTEE	(2)
NATIONAL CREDIT UNION ADMINISTRATION	CHAIRMAN	(2)
NATIONAL ENDOWMENT FOR THE ARTS	CHAIRMAN	(1)
NATIONAL ENDOWMENT FOR THE HUMANITIES	CHAIRMAN	(1)
NATIONAL LABOR RELATIONS BOARD	DIRECTOR OF ADMINISTRATION	(2)
NATIONAL RAILROAD PASSENGER CORPORATION	GROUP V.P. FINANCE & ADMIN.	(2)
NATIONAL TRANSPORTATION SAFETY BOARD	MANAGING DIRECTOR	(2)

NOTE: 1 = Head of Agency; 2 = Deputy Head of Agency; 3 = Other

INDICATIONS OF INTERNAL AUDIT INDEPENDENCE

(AGENCIES WITH INTERNAL AUDIT)

Name of Agency	Official to whom Director of IA Unit reports	
NATIONAL SCIENCE FOUNDATION	DIRECTOR	(2)
NEIGHBORHOOD REINVESTMENT CORPORATION	BOARD OF DIRECTORS	(1)
NUCLEAR REGULATORY COMMISSION	CHAIRMAN & COMMISSIONERS	(1 & 2)
OFFICE OF ADMINISTRATION, EXECUTIVE OFFICE OF THE PRESIDENT	DIRECTOR, FINANCIAL ADMIN.	(3)
OFFICE OF PERSONNEL MANAGEMENT	DEPUTY DIRECTOR	(2)
PANAMA CANAL COMMISSION	ADMINISTRATOR	(2)
PEACE CORPS	DIRECTOR	(1)
PENSION BENEFIT GUARANTY CORPORATION	DEPUTY DIR. FOR RESOURCE MGMT.	(2)
UNITED STATES POSTAL SERVICE	POSTMASTER GENERAL	(2)
RAILROAD RETIREMENT BOARD	EXECUTIVE DIRECTOR	(2)
SMITHSONIAN INSTITUTION	UNDER SECRETARY	(2)
UNITED STATES INFORMATION AGENCY	DIRECTOR	(1)

NOTE: 1 = Head of Agency; 2 = Deputy Head of Agency; 3 = Other

AGENCIES WITH MULTIPLE AUDIT OR INVESTIGATIVE UNITS

ACTION

CIVIL AERONAUTICS BOARD

DISTRICT OF COLUMBIA GOVERNMENT

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

DEPARTMENT OF JUSTICE

** DEPARTMENT OF THE TREASURY

FEDERAL COMMUNICATION COMMISSION

FARM CREDIT ADMINISTRATION

FEDERAL ELECTIONS COMMISSION

FEDERAL HOME LOAN BANK BOARD

** FEDERAL RESERVE BOARD

FEDERAL MARITIME COMMISSION

INTERSTATE COMMERCE COMMISSION

LEGAL SERVICES CORPORATION

NATIONAL ENDOWMENT FOR THE ARTS

NATIONAL RAILROAD PASSENGER CORPORATION

NUCLEAR REGULATORY COMMISSION

** PEACE CORPS

SMITHSONIAN INSTITUTION

UNITED STATES INFORMATION AGENCY

** UNITED STATES POSTAL SERVICE

**NOTE: Those agencies with asterisks have written procedures for coordinating the audit and investigative activities within their agency. The remaining agencies have more than one audit or investigative unit within their agency but no written procedures for coordinating the audit or investigative efforts.

AGENCIES THAT HAVE PROCEDURES FOR
AUDIT RESOLUTION AS DEFINED BY OMB CIRCULAR A-50

ACTION

ADMINISTRATIVE OFFICE OF THE U.S. COURTS
CIVIL AERONAUTICS BOARD
CONSUMER PRODUCT SAFETY COMMISSION
DEPARTMENT OF JUSTICE
DEPARTMENT OF THE TREASURY
EQUAL EMPLOYMENT OPPORTUNITY COMMISSION
FEDERAL COMMUNICATIONS COMMISSION
FARM CREDIT ADMINISTRATION
FEDERAL DEPOSIT INSURANCE CORPORATION
FEDERAL ELECTION COMMISSION
FEDERAL HOME LOAN BANK BOARD
FEDERAL MEDIATION AND CONCILIATION SERVICE
GOVERNMENT PRINTING OFFICE
NATIONAL CREDIT UNION ADMINISTRATION
NATIONAL ENDOWMENT FOR THE ARTS
NATIONAL LABOR RELATIONS BOARD
NATIONAL RAILROAD PASSENGER CORPORATION
NUCLEAR REGULATORY COMMISSION
OFFICE OF PERSONNEL MANAGEMENT
PANAMA CANAL COMMISSION
PEACE CORPS
RAILROAD RETIREMENT BOARD
UNITED STATES INFORMATION AGENCY
UNITED STATES POSTAL SERVICE

AGENCIES THAT HAVE PROCEDURES FOR
FOLLOWING UP ON FINAL RESOLUTION
(CORRECTIVE ACTION TAKEN) OF AUDIT REPORTS

ACTION

ADMINISTRATIVE OFFICE OF THE U.S. COURTS
CIVIL AERONAUTICS BOARD
COMMODITY FUTURES TRADING COMMISSION
CONSUMER PRODUCT SAFETY COMMISSION
CORPORATION FOR PUBLIC BROADCASTING
DEPARTMENT OF JUSTICE
DEPARTMENT OF THE TREASURY
DISTRICT OF COLUMBIA GOVERNMENT
EQUAL EMPLOYMENT OPPORTUNITY COMMISSION
FEDERAL COMMUNICATIONS COMMISSION
FARM CREDIT ADMINISTRATION
FEDERAL DEPOSIT INSURANCE CORPORATION
FEDERAL ELECTION COMMISSION
FEDERAL HOME LOAN BANK BOARD
FEDERAL MEDIATION AND CONCILIATION SERVICE
FEDERAL RESERVE SYSTEM
GOVERNMENT PRINTING OFFICE
MERIT SYSTEMS PROTECTION BOARD
NATIONAL CREDIT UNION ADMINISTRATION
NATIONAL ENDOWMENT FOR THE ARTS
NATIONAL LABOR RELATIONS BOARD
NATIONAL RAILROAD PASSENGER CORPORATION
NUCLEAR REGULATORY COMMISSION
OFFICE OF PERSONNEL MANAGEMENT

AGENCIES THAT HAVE PROCEDURES FOR
FOLLOWING UP ON FINAL RESOLUTION
(CORRECTIVE ACTION TAKEN) OF AUDIT REPORTS

PANAMA CANAL COMMISSION

PEACE CORPS

PENSION BENEFIT GUARANTY CORPORATION

RAILROAD RETIREMENT BOARD

SMITHSONIAN INSTITUTION

UNITED STATES POSTAL SERVICE

COMPLIANCE WITH GAO AUDIT STANDARDS

Agency	Did the organization respond that it complies with GAO audit standards?
ACTION	YES
ADMINISTRATIVE CONFERENCE OF THE UNITED STATES	N/A
ADMINISTRATIVE OFFICE OF THE UNITED STATES COURTS	YES
ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS	N/A
ADVISORY COMMITTEE ON FEDERAL PAY	N/A
ADVISORY COUNCIL ON HISTORIC PRESERVATION	N/A
AMERICAN BATTLE MONUMENTS COMMISSION	YES
APPALACHIAN REGIONAL COMMISSION	N/A
ARCHITECT OF THE CAPITOL	YES
ARCHITECTURAL & TRANSPORTATION BARRIERS COMPLIANCE BOARD	N/A
ARMS CONTROL AND DISARMAMENT AGENCY	N/A
BOARD OF INTERNATIONAL BROADCASTING	YES
CIVIL AERONAUTICS BOARD	YES
COMMISSION OF FINE ARTS	N/A
COMMISSION ON CIVIL RIGHTS	N/A
COMMISSION ON SECURITY AND COOPERATION IN EUROPE	N/A

N/A = Agencies do not have internal audit functions.

COMPLIANCE WITH GAO AUDIT STANDARDS

Agency	Did the organization respond that it complies with GAO audit standards?
COMMITTEE FOR PURCHASE FROM THE BLIND & SEVERELY HANDICAPPED	N/A
COMMODITY FUTURES TRADING COMMISSION	YES
CONGRESSIONAL BUDGET OFFICE	N/A
CONSUMER PRODUCT SAFETY COMMISSION	YES
COPYRIGHT ROYALTY TRIBUNAL	N/A
CORPORATION FOR PUBLIC BROADCASTING	N/A
COUNCIL OF ECONOMIC ADVISORS	YES
COUNCIL ON ENVIRONMENTAL QUALITY	YES
DELAWARE RIVER BASIN COMMISSION	NO
DEPARTMENT OF JUSTICE	YES
DEPARTMENT OF THE TREASURY	YES
DISTRICT OF COLUMBIA GOVERNMENT	YES
EQUAL EMPLOYMENT OPPORTUNITY COMMISSION	YES
EXECUTIVE RESIDENCE AT THE WHITE HOUSE	N/A
EXPORT-IMPORT BANK	N/A
FARM CREDIT ADMINISTRATION	YES
FEDERAL COMMUNICATIONS COMMISSION	YES
FEDERAL DEPOSIT INSURANCE CORPORATION	YES
FEDERAL ELECTION COMMISSION	YES

COMPLIANCE WITH GAO AUDIT STANDARDS

Agency	Did the organization respond that it complies with GAO audit standards?
FEDERAL HOME LOAN BANK BOARD	YES
FEDERAL JUDICIAL CENTER	YES
FEDERAL LABOR RELATIONS AUTHORITY	N/A
FEDERAL MARITIME COMMISSION	N/A
FEDERAL MEDIATION AND CONCILIATION SERVICE	YES
FEDERAL MINE SAFETY AND HEALTH REVIEW COMMISSION	YES
FEDERAL RESERVE SYSTEM	N/A
FEDERAL TRADE COMMISSION	N/A
FRANKLIN DELANO ROOSEVELT MEMORIAL COMMISSION	N/A
GOVERMENT PRINTING OFFICE	YES
HARRY S. TRUMAN SCHOLARSHIP FOUNDATION	N/A
INTER-AMERICAN FOUNDATION	YES
INTERNATIONAL TRADE COMMISSION	N/A
INTERSTATE COMMERCE COMMISSION	YES
JAPAN-UNITED STATES FRIENDSHIP COMMISSION	N/A
LEGAL SERVICES CORPORATION	N/A
LIBRARY OF CONGRESS	NO
MARINE MAMMAL COMMISSION	N/A
MERIT SYSTEMS PROTECTION BOARD	YES
NATIONAL CAPITAL PLANNING COMMISSION	N/A

COMPLIANCE WITH GAO AUDIT STANDARDS

Agency	Did the organization respond that it complies with GAO audit standards?
NATIONAL COMMISSION ON LIBRARIES AND INFORMATION SCIENCE	N/A
NATIONAL CONSUMER COOPERATIVE BANK	NO
NATIONAL CREDIT UNION ADMINISTRATION	YES
NATIONAL ENDOWMENT FOR THE ARTS	YES
NATIONAL ENDOWMENT FOR THE HUMANITIES	N/A
NATIONAL LABOR RELATIONS BOARD	YES
NATIONAL MEDIATION BOARD	N/A
NATIONAL RAILROAD PASSENGER CORPORATION	N/A
NATIONAL SCIENCE FOUNDATION	YES
NATIONAL SECURITY COUNCIL	YES
NATIONAL TRANSPORTATION SAFETY BOARD	YES
NAVAJO AND HOPI INDIAN RELOCATION COMMISSION	N/A
NEIGHBORHOOD REINVESTMENT CORPORATION	YES
NUCLEAR REGULATORY COMMISSION	YES
OCCUPATIONAL SAFETY AND HEALTH REVIEW COMMISSION	N/A
OFFICE OF ADMINISTRATION, EXECUTIVE OFFICE OF THE PRESIDENT	N/A
OFFICE OF MANAGEMENT AND BUDGET	N/A

COMPLIANCE WITH GAO AUDIT STANDARDS

Agency	Did the organization respond that it complies with GAO audit standards?
OFFICE OF PERSONNEL MANAGEMENT	YES
OFFICE OF POLICY DEVELOPMENT	YES
OFFICE OF SCIENCE & TECHNOLOGY POLICY	N/A
OFFICE OF TECHNOLOGY ASSESSMENT	YES
OFFICE OF THE FEDERAL INSPECTOR, ALASKA NATURAL GAS TRANSPORTATION SYSTEM	YES
OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE	N/A
OFFICE OF THE VICE PRESIDENT	YES
OFFICIAL RESIDENCE OF THE VICE PRESIDENT	N/A
PANAMA CANAL COMMISSION	YES
PEACE CORPS	YES
PENNSYLVANIA AVENUE DEVELOPMENT CORPORATION	N/A
PENSION BENEFIT GUARANTY CORPORATION	N/A
PROPERTY REVIEW BOARD	YES
RAILROAD RETIREMENT BOARD	YES
SECURITIES AND EXCHANGE COMMISSION	YES
SELECTIVE SERVICE SYSTEM	N/A
SMITHSONIAN INSTITUTION	YES
SUSQUEHANNA RIVER BASIN COMMISSION	YES
THE WHITE HOUSE OFFICE	N/A

COMPLIANCE WITH GAO AUDIT STANDARDS

Agency	Did the organization respond that it complies with GAO audit standards?
UNITED STATES COURTS OF APPEALS, U.S. DISTRICT COURTS, & OTHER JUDICIAL SERVICES	YES
UNITED STATES COURT OF APPEALS FOR THE FEDERAL CIRCUIT	YES
UNITED STATES COURT OF INTERNATIONAL TRADE	YES
UNITED STATES HOLOCAUST MEMORIAL COUNCIL	N/A
UNITED STATES INFORMATION AGENCY	YES
UNITED STATES POSTAL SERVICE	YES
UNITED STATES TAX COURT	N/A
U.S. RAILWAY ASSOCIATION	N/A

AGENCIES REPORTING THEY HAVE A HOTLINE

COMMISSION ON CIVIL RIGHTS
DEPARTMENT OF JUSTICE
DEPARTMENT OF THE TREASURY
EQUAL EMPLOYMENT OPPORTUNITY COMMISSION
FEDERAL HOME LOAN BANK BOARD
NATIONAL LABOR RELATIONS BOARD
OFFICE OF PERSONNEL MANAGEMENT
PENSION BENEFIT GUARANTY CORPORATION
UNITED STATES INFORMATION AGENCY

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